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ARIZONA TELECOMMUNICATIONS AND INFORMATION COUNCIL

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Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554

[Transmitted by email]

RE: WC Docket No. 05-337

Dear Secretary Dortch,

I am writing you on behalf of the board members of the Arizona Telecommunications and Information Council (ATIC).

We, the ATIC Board, concur with the recommendation from The Honorable Senator John McCain from Arizona and his colleagues that an overall CAP needs to be placed on the Universal Service Fund (USF). Such an overall CAP can provide necessary time to study and revamp USF allocations for modern realities. We further urge the Joint Board and the Commission efforts to revamp the USF to include broadband infrastructure development. Additionally, to ensure a level playing field, we agree with Senator McCain that "We do not support any plan that would cap only one select group of providers but not others, as we believe such a fix would unfairly skew the marketplace."

The ATIC Board strongly feels that extending the CAP down to each State, based on past state-level allocations, would provide an unfair advantage to those states that have acquired large sums from the USF in the past and would also place undue restraint on states that have a population growing at a higher rate with a greater need for USF funds.

We further suggest that, if it is determined that a state-level CAP must be assigned, each state CAP should strongly factor the relative on-going growth rate of that state. As such, an overall CAP could be pro-rated to each state based on the state's relative base-population and growth rate (per Census data, especially in rural areas). We believe such an approach more fairly focuses to the telecommunications needs of unserved and underserved communities.

Sincerely,

Michael C. Keeling
Chairman of the Board
Arizona Telecommunications and Information Council